

Message Text

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ACTION EA-09

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INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

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E O 11652: GDS

TAGS: ELAB, RP

SUB: DEPARTMENT OF LABOR GETS TOUGH WITH BUKLURAN

BEGINN SUMMARY: THE TUCP (TRADE UNION CONGRESS OF THE PHILIPPINES) HAS CALLED ON SECRETARY OF LABOR OPLE TO GET TOUGH WITH BUKLURAN-INSPIRED ILLEGAL STRIKERS. THE NLRC (NATIONAL LABOR RELATIONS COMMISSION) DECISION TO DISMISS THE LEADERS OF THE RECENT STRIKES AT THE AMERICAN-OWNED MEAD-JOHNSON COMPANY IS VIEWED BY THE TUCP AND ECOP (EMPLOYERS CONFEDERATION OF THE PHILIPPINES) AS A WELCOME DEPARTURE FROM PAST PRACTICE. IN ADDITION TO THE USUAL STRIKE TACTICS, BUKLURAN INTRODUCED A BOYCOTT OF MEAD-JOHNSON PRODUCTS AIMED AT THE MEDICAL PROFESSION. END SUMMARY.

1. ON JULY 30, THE NLRC DECLARED ILLEGAL A STRIKE BY ROUGHLY ONE-THIRD OF THE EMPLOYEES OF THE MEAD-JOHNSON PHARMACEUTICAL COMPANY (A COMPANY THAT IS 100 PERCENT AMERICAN OWNED). WARNING THE LABOR AND MANAGEMENT SECTORS AGAINST "NAKED DEFIANCE" OF GOVERNMENT AUTHORITY IN LABOR RELATIONS, THE COMMISSION ORDERED DISMISSAL OF SIX UNION OFFICIALS WHO LED THE STRIKE AND, IN SPIRIT OF "TEMPERING JUSTICE

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WITH MERCY," REINSTATEMENT OF 110 WORKERS "WHO WERE

MISLED INTO JOINING THE STRIKE." THE PHILIPPINE TRANSPORT AND GENERAL WORKERS ORGANIZATION (PTGWO), WITH WHOM THE MEAD-JOHNSON WORKERS ARE AFFILIATED, WAS ORDERED TO ASSUME TRUSTEESHIP FOR THE AFFAIRS OF THE LOCAL UNION UNTIL THE LOCAL CAN REORGANIZE ITSELF.

2. PTGWO CLAIMS THAT THIS STRIKE IS ANOTHER EFFORT BY BUKLURAN TO TRY TO INFILTRATE AND TAKE OVER AN EXISTING UNION. A MEMBER OF THE NLRC TOLD LABATT THAT THIS WAS INDEED A BUKLURAN SHOW. IN THIS CASE, BUKLURAN WAS MORE AMBITIOUS THAN USUAL FOR, DESPITE THE EXISTENCE OF A COLECTIVE BARGAINING AGREEMENT THAT IS CONSIDERED TO BE ONE OF THE BEST IN THE PHARMACEUTICAL INDUSTRY, THE STRIKERS CLAIMED THAT AN EMERGENCY COST OF LIVING ALLOWANCE DECREED IN 1974 WAS UNPAID AND THAT THE 2 PESO PER DAY INCREASE IN THE GREATER MANILA MINIMUM WAGE SHOULD BE GIVEN TO ALL WORKERS EVEN THOUGH ALL WORKERS AT MEAD-JOHNSON ARE EARNING MORE THAN THE MINIMUM WAGE.

3. TO PROMOTE THEIR CAUSE THE BUKLURAN GROUP LAUNCHED A PRODUCT BOYCOTT AGAINST MEAD-JOHNSON'S 62 PHARMACEUTICAL PRODUCTS. "ALL DOCTORS, NURSES, MIDWIVES AND PHARMACISTS" WERE ASKED NOT TO BUY MEAD-JOHNSON PRODUCTS. A CIRCULAR NAMING ALL PRODUCTS WAS DISTRIBUTED. THE LEAD SENTENCE CALLED ATTENTION TO THE "STRIKE AGAINST AMERICAN MANAGEMENT" FOR JUST DEMANDS. WE ARE UNABLE TO MAKE AN ACCURATE ESTIMATE OF THE EFFECT OF SUCH A BOYCOTT, ECOP HAS NEVER BEEN CONFRONTED WITH A BOYCOTT OF THIS KIND. THE EXECUTIVE SECRETARY OF ECOP DOUBTS THAT IT WILL HAVE THE DESIRED EFFECT BECAUSE THE MEDICAL PROFESSION IS VERY CONSERVATIVE.

4. ACCORDING TO GEORGE SUTER, CHAIRMAN OF THE AMERICAN CHAMBER OF COMMERCE OF THE PHILIPPINES, THE PHARMACEUTICAL INDUSTRY IS NOT REQUIRED TO DIVEST ITSELF OF MAJORITY FOREIGN OWNERSHIP. THE PRACTICE OF AMERICAN COMPANIES THOUGH, IS TO HAVE FEW IF ANY AMERICANS ACTIVELY MANAGING PHILIPPINE BRANCHES. MEAD-JOHNSON DOES NOT HAVE ANY AMERICANS IN THEIR LOCAL MANAGEMENT. THE FILIPINO LOCAL MANAGER IS VIEWED BY SUTER AS BEING A BIT HARDNOSED AND CONFIDENTIAL

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INCLINED TO MAKE PROBLEMS FOR HIMSELF. THIS OBSERVATION WAS CONFIRMED BY THE FACT THAT EVEN THOUGH THE NLRC ORDERED ALL WORKERS REINSTATED, MANAGEMENT REFUSED TO REEMPLOY 26 SHOP STEWARDS.

5. COMMENT: THE MEAD-JOHNSON STRIKE MIGHT NORMALLY BE VIEWED AS JUST ANOTHER BUKLURAN RAID ON A TUCP AFFILIATE. THIS TIME, HOWEVER, THE TUCP HAD HAD ENOUGH.

SECRETARY OF LABOR BLAS OPLE WAS INVITED TO A MEETING OF THE TUCP EXECUTIVE BOARD JULY 29. HE WAS TOLD IN NO UNCERTAIN TERMS THAT THE TUCP VIEWED THE DEPARTMENT OF LABOR AS LETTING BUKLURAN AND ITS COLLABORATORS OFF TOO EASILY WHEN THEY VIOLATED THE NO-STRIKE PROVISION OF THE LABOR CODE. IN SO DOING, TUCP WAS BEING MADE TO LOOK BAD IN THE EYES OF WORKERS. ACCORDING TO TUCP PRESIDENT BERT OCA, THE MEAD-JOHNSON STRIKE AND THE ULTIMATE DECISION WAS A SOLID DEMONSTRATION OF OPLE'S PROMISE THAT THINGS WOULD BE DIFFERENT.

6. IN THIS STRIKE BUKLURAN DEMONSTRATED ONCE AGAIN THAT THEIR PEOPLE ARE QUITE PREPARED TO LOSE THEIR JOBS AND RISK JAIL FOR THEIR CAUSE. ACCORDING TO A MEMBER OF THE NLRC, IF THEIR CLAIMS WERE JUST, THEY COULD HAVE INVESTED AT THE MOST SIX MONTHS OF THEIR TIME TO GET THE DEPARTMENT OF LABOR TO WORK OUT A SETTLEMENT OF THE POINTS AT ISSUE. IF THE SETTLEMENT PROVED UNSATISFACTORY, BUKLURAN COULD THEN ILLEGALLY STRIKE AS THEY HAVE JUST DONE. WHAT THE NLRC DID IN THIS CASE WAS SIMPLY TO RULE ON THE LEGALITY OF THE STRIKE AS DEFINED BY P.D. 823 (WHICH DECREES PRACTICALLY ALL STRIKES ARE ILLEGAL).
SULLIVAN

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